

RESONA WAY

CSR Report 2008

Contents

- ▷ About the Resona Group
- ▷ Message from the Management
- ▷ The Resona Group's CSR through Our Core Business Activities
- ▷ CSR Report 2008 Data File



Resona Group

Our Message

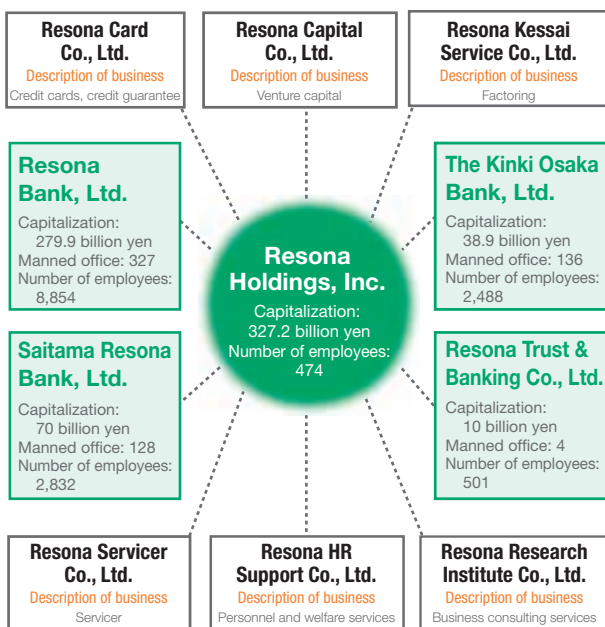
This CSR report attempts to describe as clearly as possible the CSR activities we have been conducting through our daily activities and the direction in which we would like to proceed in the future. We hope that this report will establish a common bond between our hopes and your wishes and will contribute to a better understanding of the Resona Group

Corporate Communications Division
Resona Holdings, Inc.

About the Resona Group (as of March 31, 2008)

• Corporate Data

Japan's Fourth Largest Financial Group
Consolidated Assets: 40 Trillion Yen



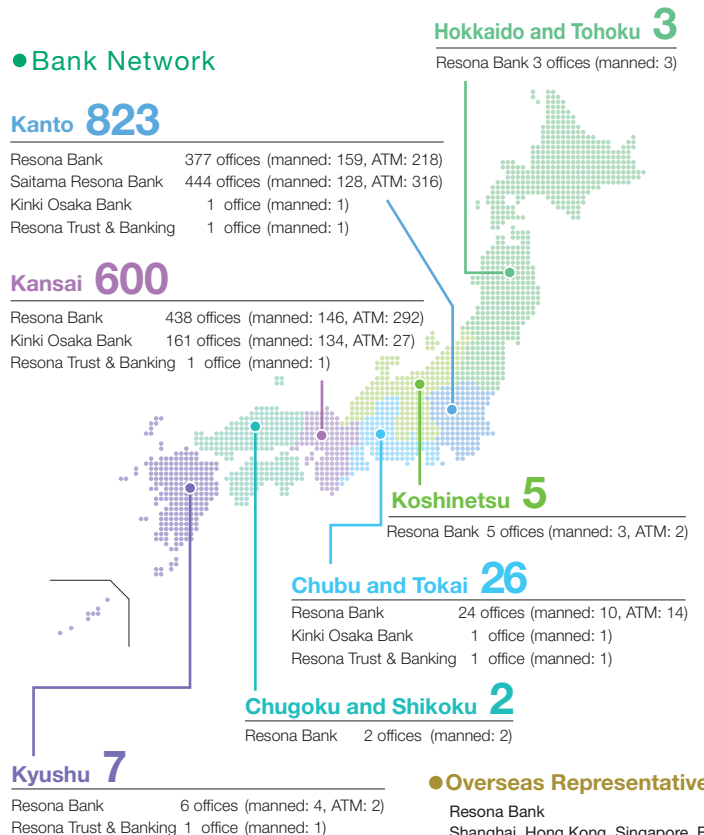
• Bank Network

Kanto 823

Resona Bank 377 offices (manned: 159, ATM: 218)
Saitama Resona Bank 444 offices (manned: 128, ATM: 316)
Kinki Osaka Bank 1 office (manned: 1)
Resona Trust & Banking 1 office (manned: 1)

Kansai 600

Resona Bank 438 offices (manned: 146, ATM: 292)
Kinki Osaka Bank 161 offices (manned: 134, ATM: 27)
Resona Trust & Banking 1 office (manned: 1)



Corporate Mission

The Resona Group aims at becoming a true “financial services group full of creativity.” Toward this goal, the Resona Group will:

- live up to customers’ expectations, ● renovate its organization, ● implement transparent management, and
- develop further with regional societies.

Customers and “Resona”

Resona cherishes relationships with customers.

- The Resona Group offers its customers services with integrity for their joy and happiness, placing highest priority on winning their confidence in Resona.
- The Resona Group makes every effort to respond fully to the needs of customers by offering high-quality services.
- The Resona Group always welcomes customers with gratitude.

Employees and “Resona”

Resona highly regards employees’ dignity and personality.

- The Resona Group creates a workplace where employees can take pride in being a member of Resona.
- The Resona Group thinks highly of its employees’ mind-set and endeavors to make the Group’s business atmosphere challenging and creative.
- The Resona Group cherishes each employee’s dignity and personality and evaluates ability and achievement in a fair manner.

Shareholders and “Resona”

Resona cherishes relationships with shareholders.

- The Resona Group aims at maximizing its corporate value by implementing sound management based on a long-term perspective.
- The Resona Group returns an appropriate amount of sound profits to its shareholders.
- The Resona Group seeks to offer timely solutions to customer needs in all situations, endeavors for transparent management, and actively upgrades its disclosure.

Resona Way

(Resona Group Corporate Promises)

Society and “Resona”

Resona places importance on its ties with society.

- The Resona Group makes every effort for an extensive number of citizens to acknowledge the significance of Resona’s existence.
- The Resona Group observes every rule of society.
- The Resona Group contributes to regional societies as a good corporate citizen.

Group Environmental Policies

1. Observance of Environment-related Laws and Regulations

We abide by laws relating to environmental conservation and to other requirements that we have subscribed.

2. Environmental Conservation through Our Core Business

We support environmental conservation activities by developing and providing environment-conscious products and services.

3. Environmental Load Reduction in Our Offices

We work toward reducing the environmental load through resource-and energy-saving activities in our offices.

4. Environmental Communication

We take active measures to communicate environment-related information inside and outside of the Group and promote environmental education activities.

5. In-house Education and Full Participation

We ensure that all Group executives and employees are familiar with our environmental policies, and that all executives and employees act in an environmentally-responsible manner.

6. Public Disclosure of Environmental Policies

We disclose our environmental policies to all parties.

Resona Brand Declaration

The Resona Group aims to become “genuine retail bank” by having each of its employees implement the Brand Declaration.

Slogan

Aiming for “New Quality” through “New Speed.”

Vision

What we are aiming

The Resona Group aims to become a financial services group that emphasizes the personal approach, so that each and every customer will feel more than satisfied.

Promise

What we have to do to accomplish that

We endeavor to be sensitive, to think and to act on our own initiative to meet our customers’ trust and expectations. We help make our customers’ dreams come true, through attentive relationships, best solutions and speedy service.

Message from the Management



Seiji Higaki

Director, President and Representative Executive Officer
Resona Holdings, Inc.

Eiji Hosoya

Director, Chairman and Representative Executive Officer
Resona Holdings, Inc.

CSR Is an Investment in the Future

—How do you define social responsibility for a financial institution?

Hosoya I believe that CSR is a future investment of a company as a citizen. That is to say, the main component of CSR is what we need to do now to ensure sustainable growth for society and for the company in the future.

More specifically, corporate social responsibility for a financial institution is made up of three elements. The first is defensive CSR, which should be carried out as a matter of course. For example, a financial institution must

take the initiative in activities ranging from establishing compliance and a code of corporate ethics to energy and resource conservation. The second is CSR finance. Through the financial functions that are a bank's main business, customers should be encouraged to practice CSR management. For instance, we can use lending guidelines incorporating an environment-related viewpoint. This also functions as a risk hedge for the financial institution. The third element is coexistence with society. In this area, the Resona Group places particular emphasis on CSR involving employee participation. It is important, I feel, for a company to carry out activities that its

employees can feel proud of.

—*What are your thoughts on your relationship with your stakeholders, and also on CSR and the direction of your business activities in the future?*

Hosoya To my mind, corporate value is based on the “sum total of trust” placed in us by all our stakeholders—our customers, our shareholders, local community, our employees and others. In terms of a bank’s relationship with customers, corporate value is based on problem-solving, which is the main purpose of bank business. We are helping corporate customers resolve management or business issues, or in the case of individual customers, providing housing loans and other support depending on their requirements at various stages of their lives. We also carry out business activities with the sustainable growth of the community in mind. Coexisting with society and generating a synergy effect injects from that vitality into the local community and ultimately helps the bank business profit too. When thinking about corporate management from the medium- to long-range perspective, I am convinced that maintaining good relations with all stakeholders contributes to boosting corporate value.

Higaki I believe that it’s the future generations who are the important stakeholders for a company (aiming at sustainable growth), as simply taking the short-term view will only leave the problems to succeeding generations. All employees should bear this in mind and work from there to make our customers happy. They should find satisfaction in pleasing customers and increase that satisfaction in every workplace. That, to me, is the essence of CSR at the Resona Group.

Communicating Social Trends and the Importance of Environment-related Undertakings to Our Customers

—*Please tell us more about the Resona Group’s recently adopted environment policy and its future plans in this direction.*

Higaki Up to now, we have been active in environment-related lending, eco-friendly housing loans, SRI funds and charitable trusts, but we will need to put even more effort into these activities in the future. I also feel that we have a major role to play in communicating a message to our corporate customers, some of which are not necessarily very ecology-conscious, about broad social trends and the need for environmental awareness.

Hosoya The IPCC (Intergovernmental Panel on Climate Change) report makes it clear that global warming is a serious issue. To me, that indicates the need for top-down action in the future. In the 21st century, Japan should attempt to develop innovative environmental load-reducing technologies. In this respect, I believe our Group has a role

to provide the financial function as an intermediary, for example, in technology transfers to developing countries.

Creating a Corporate Culture Encouraging Diversity

—*How can the diversity of your workforce, including the talents of women employees, best be employed?*

Hosoya I came from another industry to assume the post of Resona Holdings chairman, so I was surprised at the extent to which the banking industry is still male-dominated. However, it seems to me that the more we focus on retail-sector customers, the stronger the need for the bank’s women employees, with their strong capacity for empathy, to play a more important role. We offers employees a variety of career alternatives in accordance with their respective life stages, but the corporate culture also needs to change, so that they can feel comfortable about taking advantage of the systems in place.

Higaki Banks tend to have a centralized power structure, so the key lies in changing that. That would enable employees to concentrate on their jobs rather than jockey for posts, and bring their strengths and aptitudes to the forefront. Ideally, our Group should change so that career advancement means far less than it does today.

—*Please tell us more about the significance of financial and economic education programs for children and their future direction.*

Higaki These programs were begun at the suggestion of employees, after our Group had returned to profitability. The programs, which teach children the importance of money and about goals in life that go beyond money, are run voluntarily by employees, including temp. staff. The volunteers get a lot out of participating too, and I was very impressed by their enthusiasm. I would like to make these programs one of our trademark social contribution activities.

Transparency in Management

—*What are the Resona Group’s plans in terms of repaying public funds?*

Higaki We want to repay the funds early, of course, but repayment is not our only goal. Most important is winning good evaluation for sound management, working to a high standard as a financial group able to contribute to society, and giving the public a clear view of our growth process.

Hosoya Our Group has been able to get back on our feet thanks to public support, so we need to think of all citizens as our shareholders now and aim for sustainable growth by implementing CSR management that are the bases of management transparency and creation of new corporate value.

Highlight 1

Aiming to Prosper with the Community

The Area Management System

As it works toward evolving into a genuine retail bank, the Resona Group is creating a framework capable of quickly meeting the various needs of regional customers and improving the quality of its products and services.

Fine-tuned Financial Services Thanks to the Area Management System

The Area Management System, one of the distinguishing characteristics of the Resona Group, allows front-line staff in the respective regions to carry out locally based sales in the most efficient manner. This makes it possible for the Group to offer high-quality financial services in tune with needs and characteristics of each region.

Thinking independently and taking action in individual regions, by devising sales strategies appropriate for area markets, branch strategies matching local needs and alliance strategies with local governments, extra-governmental bodies, leading local companies and others, has enabled us to actively create services meeting a particular region's needs.

"Peace of Mind for Your Golden Years Plan" Developed through Employee Input

Past practice was for headquarters to plan and develop products and services, which were then sold or provided by whole branches. The Area Management System, however, has motivated front-line staff to come up with various plans or ideas.

One example of this is the "Peace of Mind for Your Golden Years Plan," a product born when Hiroko Otake, a Resona Bank temp. staff at the time, and Yasunobu Kawabe, who was then a financial planner, dealt with one of the bank's customers.

Otake, who made a point of establishing close relations with customers, was aware of their concerns about asset investment and was sensitive to their unmet needs, learned that a customer, an elderly person with

no close family, worried about how to manage her assets if she should ever become incapacitated. Otake realized that the testamentary trust service offered by Resona Bank would not be enough to meet the customer's needs. She spent a long time pondering what could be done in this case, until one day she happened

Interview



Yasunobu Kawabe
General Manager, Business Division, Iogi Branch
Nakano and Sugunami Areas,
Tokyo Central Region, Resona Bank

"Under the Area Management System, the 'Area' means the area's customers. In our former system, any new plan drafted locally needed the approval from nearly 15 persons before it could be implemented, so plans often ended up not being carried out. But with the start of the Area Management System, physical distance with the area CEO has shrunk, creating an atmosphere in which people feel more comfortable about taking on new challenges and that is more lenient toward mistakes. All this makes our operations easier to carry out."



Hiroko Otake
Business Division III/IV
Bokuto Area, Resona Bank

"I think it's only at Resona that a temp. staff not only offer customers advice on investing funds but are also able to suggest planning for handling all their assets. With one of our customers, it took one year between planning and execution. We faced many difficulties but we were able to put the customer's mind at ease and it was a happy occasion for all of us when the contract was finally notarized."

to notice information about asset transfer trusts, a new service the bank had started. She immediately consulted Kawabe, assigned to work locally as a financial planner, and learned that the customer's needs could be met by combining an asset transfer trust with a discreet guardianship system. She suggested this plan to the customer, who agreed that this was a good solution and made a contract with the bank.

This solution was later packaged by headquarters and marketed as the "Peace of Mind for Your Golden Years Plan" and it is sold by many Resona Bank branches today. Resona Bank also holds seminars about this product in collaboration with universities throughout Japan. This has had strong impact, given the demographic shift of fewer births and a rapidly aging population that is taking place now.

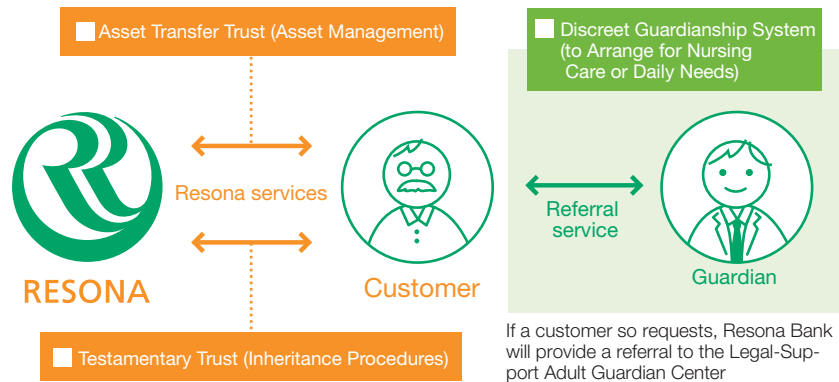
Seminar of the Investment Circumstance for SME Customers

Input from front-line staff has also helped Resona Bank provide better service in the area of corporate pensions. The usual practice among banks is to dispatch experts to brief mainly their large corporate customers on the status of their investments for corporate pensions; Resona Bank staff advised their small and medium-size enterprise (SME) customers individually. But staff who dealt directly with SME customers reported that it might be a good idea to provide a higher level of service to boost satisfaction among those customers. Working from this suggestion, Resona Bank invited financial experts from Resona Trust & Banking Co., Ltd. to give seminars of the investment circumstance especially for SMEs. These seminars were held in various locations and proved very popular, attracting large numbers of asset investment-minded customers who actively participated.



Employees actively participate in community events too.

How the "Peace of Mind for Your Golden Years Plan" Works



Whereas other trust banks tend to hold seminars mainly for large customers, the Resona Group provides a similar service for SME customers thanks to its Area Management System and locally-based staff in tune with the needs of their market.

* * *

Other activities intended to give each branch more local presence include participation in local festivals, event planning in collaboration with customers and so on. By shifting its perspective to a more customer-oriented view, the Resona Group is working steadily to create a corporate culture where employees are encouraged to be sensitive and to think and act independently to meet customers' trust and expectations.



Bank premises offered as a rest stop during a local festival.

Highlight 1

Aiming to Prosper with the Community

Financial and Economic Education

As a part of the community and social contribution activities, the Resona Group has been offering financial and economic education programs for children throughout Japan. Believing that the mission of a bank is to use its intellectual resources to benefit the regional community, many Resona employees in every region are carrying out this program actively and voluntarily.

Teaching Children Why Money Is Important—The Resona Kids' Money Academy

In the summer of 2005, some of Resona employees wishing to help the local community by putting their knowledge about money to work started the Resona Kids' Money Academy, financial and economic education programs for children, the first time a major bank had offered such a program.

The first year, the program was offered at the head

offices in Tokyo, Osaka and Saitama only. But the number of branches in each region voluntarily holding the program gradually increased and by fiscal 2007 the Resona Kids' Money Academy was held in 84 locations all over the country with more than 1,300 children mainly aged 10 to 12 participating.

Many children said they had been encouraged by their parents to attend, and after participating over 90 percent of them commented that they had learned a lot about money and banks and that they had enjoyed the



■ The Resona Group's Financial and Economic Education Programs for Children

Activities Organized	FY2005	FY2006	FY2007	Description of Activities
Financial education seminars	9	14	92	Resona Kid's Money Academy and other programs held throughout Japan during summer school vacation, featuring quizzes and games to teach children the importance of money.
Workplace visits (head offices only)	16	33	35	Teaches what banks do through visits to bank offices, where children can see safety deposit boxes, observe the dealing room and talk with bank employees.
On-site classes (visits to elementary and junior high schools)	2	7	8	Resona employees visit elementary and junior high schools to teach the basics of financial knowledge and why money is important.
Exhibits at local events	1	5	2	Participation in festivals and other local events, with money-related quizzes and games for children.
Grand Total	28	59	137	

program. Parents attending with their children were also very pleased, saying that “my daughter has started spending her allowance in a more planned way now” or “my son, who used to spend all his time reading *manga* comics, has started watching the news.”

Resona employees carry out program preparations, such as creating materials for the classes and rehearsing skits, after work hours on a volunteer basis. They admit that it is a lot of work, but seeing the enjoyment the children get from their presentation makes them aware of the program's significance. Most employees participating also opined that the program had benefits for them too, such as “I discovered new talents in my colleagues that aren't evident in day to day operations, or I realized that I had abilities that I didn't know about.” This activity, begun out of a desire to contribute to the peoples in the local community, has in the end helped raise employees' awareness of their own work.

Guest Lectures at University Impart Bank Expertise

In the first half of fiscal 2008, Saitama Resona Bank, Ltd. has been giving a series of 15 guest lectures at Saitama University. The lecturers are management executives and division heads from Saitama Resona Bank who lecture on the various aspects of the role of financial institutions in local community. Unlike other guest lectures by banks which often present specialized financial expertise



in the economics field, this course is given as a subject in the general academic program for the university's students. Through these lectures, Saitama Resona Bank hopes to familiarize students with the kind of business the bank is doing and bring the role of banks in regional economies closer to them. The course covers topics related to financial knowledge, along with examples of specific undertakings by the bank and issues familiar to students. The bank also sees this course as a good way of introducing students to the wider world and preparing them for their role as working adults in society.

Other education-related activities organized by the Resona Group include the Economics Koshien Tournament, a competition on economic knowledge for high school students, which is held together with the Association for the Promotion of Financial Literacy, a non-profit organization; school visits to banks for junior high school students; internships for university students, and so on. Through these financial education activities for children and young people, the Resona Group endeavors to strengthen its relations with the local community from the long-term perspective.

■ Course Description for the Saitama University Guest Lectures

Week 1	Overview of the Financial Services Industry
Week 2	Reform of Services by Financial Institution
Week 3	Locally-oriented Finance
Week 4	Developing Loan Products Meeting Customer Needs
Week 5	Financial Product Diversification—From Saving to Investment
Week 6	Diversification of Funding Methods
Week 7	Support for Enterprise and New Business
Week 8	Business Practices for Supporting Corporate Revitalization
Week 9	Risk Management, Basel Capital Accord (Basel II)
Week 10	Securities Portfolio
Week 11	Internal Control for Financial Institution
Week 12	Compliance for Financial Institution
Week 13	Strategic Uses of IT, Next-generation Bank Branches
Week 14	Human Resource Strategies for Financial Institutions The Role of Locally-Oriented Financial Institutions (Wrap-up)
Week 15	End of Term Test

Highlight 1

Aiming to Prosper with the Community

Regional Invigoration

As a locally-oriented financial institution, the Resona Group offers multi-faceted support for regional invigoration not only through financial-related support but also by using the bank's network with its customers.

Networking to Revitalize Local Economies

In June 2007, The Kinki Osaka Bank, Ltd. set up a new Information Relations Division as part of its ongoing efforts in the area of locally-oriented finance. This new division's role is to collect and coordinate information and requests obtained through its close relations with

customers so that it can further improve its sales activities and present new ideas for meeting its customers' business needs.

The bank aims to help our customers in areas other than finance as well, by making the best use of all the information we have about their problems or their requests and working together with them.



Top left: We actively participate in business shows and other events to network with companies other than our existing customers, further broadening our range of activities.

Bottom left: Banks can help create new business opportunities by acting as go-betweens and providing an occasion where customers can exchange information directly.

Right: We make a point of visiting our customers' workplaces too. We believe that on-site visits are important because they help us get to know customers better and get a better idea of their needs than by simply examining their financial statements.

Helping create new business opportunities and helping our customers' businesses grow—that is how we can contribute to local economic growth ultimately resulting in sustainable growth and better profitability for both customers and the Resona Group.

In the future we will focus on areas of interest to our customers, such as introductions to partners in environment-related businesses, as we continue to carry out activities important to people in the local community.

Helping to Promote Business-academia Collaboration


Universities are repositories of academic knowledge that banks do not have, and their intellectual resources are a valuable asset for local communities. There are many examples of major corporations collaborating directly with universities in joint research activities, but small and medium-size enterprises (SMEs) have few opportunities to do so. On the other hand, universities can benefit greatly from carrying out research from an actual business viewpoint. We believe that banks have a major role to play as an intermediary between universities and SMEs, and the Resona Group is actively involving in this area, as we believe that a wealth of resources is available for SMEs not only in technology-related areas but

also in the fields of industrial design or legal expertise.

Creating New Markets in Collaboration with Local Community

Resona Bank has been operating the "REENAL" Project since 2004. "REENAL," a word formed by combining "Resona" and "regional," refers to collaboration between the bank and corporations or regions to bring out their potential and ultimately create new markets. Acting as project coordinator, Resona Bank fosters organic connections between local companies, universities, artists and researchers in innovative promotions through radio programs, free newspapers, magazines, websites and events, to give birth to a movement.

Taking advantage of local connections can also help boost the Resona Group's brand image. In the four years since the start of the "REENAL" Project, Resona Bank has coordinated over 300 undertakings in collaboration with over 200 companies, universities and organizations. The movement is stimulating a virtuous cycle where participating communities have been reinvigorated, new markets have been created for companies' products and services because they are better known, and business for the bank has grown.



The "RE!SUITOU" Project is part of the Resona Group's environment-friendly activities intended to reduce the burden on the environment, in this case by promoting the use of thermos flasks (called *suito* in Japanese). Working together with the Suito-cho Committee creators' group, this project is being publicized through a multi-channel effort involving parties such as radio stations, thermos flask manufacturers and the Cerezo Osaka J-League professional soccer team.



Designs by young artists are featured on the "RESONART" cash cards. "RESONART" is a word formed by combining "Resona" and "art." Since the start of this service in 2004, it has been popular especially among young people and has led to an increase in the number of account holders. (Up to June 2008, a total of 630,000 "RESONART" series cash cards, featuring 16 designs so far, had been issued.)



In cooperation with non-profit organization the International Rakugo Promotion Committee, Resona Bank makes its Osaka business district branch premises available for "RAKUGOBANK" performances of Rakugo (traditional comic storytelling) once a month. The performances, attended mainly by business people in the community, promote interest in this art form and also contribute to injecting vitality into the community.

Highlight 2

Aiming to Become the **No. 1** Bank Stood by Women

The Resona Group focuses on creating an environment that offers diverse ways of working to meet all employees' needs, and where they can put fully exercise their talents and aptitudes. Our first step in this direction has been to aim to become the No. 1 bank stood by women.

Six women employees from Group banks met to talk about measures and systems implemented by the Group to create a work environment supportive to women and about their expectations for the future.

Women's Perspective Helps Improve In-house Systems

More than half of the Resona Group's customers, and approximately 60 percent of its employees, are women. Because of this, it is important to create a work environment that makes it easier for women to work and build careers with Resona to ensure that we can really be attuned to our customers' needs as we move toward our goal of becoming a genuine retail bank.

In 2005, the bank established a Women's Council advisory body reporting directly to management, in order to better reflect the views of women in the bank's management. A "Job Return" system was started to support female full-time employees and temp. staff returning to work after leaving their jobs due to marriage, childbirth or family reasons, a new system enabling full-time employees to opt for temp. staff status was introduced, and full-time employees were given the option of shorter work

hours until their child reached the age of eight (maximum age was previously five). Other new programs include extending the usual one-year period for child care leave (until the child's first birthday) an extra day to allow mothers to spend the day with their child on its first birthday, extending maximum child care leave of two years by an extra month to allow for getting the child used to day care (a child starting day care normally spends just a few hours a day at the facility at first, with length of time spent there gradually increasing to full hours over the course of a few weeks to one month). These programs and others are gradually being introduced or extended, reflecting women's views of what is necessary for them in order to balance family responsibilities with work.

With regard to these programs, Mayumi Iino said "It's very helpful to have a variety of choices in addition to the usual maternity and child care leave. It's clear that the turnover rate due to marriage or childbirth has dropped." Akiko Kawasaki added "I got married last year, but I know that there's a place at Resona for women who return to the workforce after maternity or child care leave. That's helped me feel more positive about having children myself." And



Yoko Tamaki

Pension Solutions Division
Resona Trust & Banking
Co., Ltd.

Akiko Kawasaki

Planning Manager, Personal Banking
Division
Saitama Resona Bank, Ltd.
Resona "My Strength" Project Leader

Yukiko Kondo

General Manager, Customer Service
Division, Kodaira Branch
Tanashi and Kodaira Areas
Resona Bank, Ltd.
Resona Women's Council Leader



while how best to share the duties of staff away on child care leave among remaining co-workers is a frequently discussed topic, Yukiko Kondo said that “since personnel adjustments are not branch-based but under the Area Management System, staffing can be coordinated so that the duties don’t fall only on specific individuals.”

Women at Their Best under the Resona “My Strength” Project

The Resona Group does not simply create a work environment supportive of women employees. We also rely on the input of those employees when developing or promoting products such as investment trust or housing loans or hire individuals with work experience in other fields, which helps us provide products and services that depart from conventional offerings.

The Resona “My Strength” Project, started in 2006 mainly by women employees, has established a track record in continuously developing products such as investment trusts targeting women. Mari Yoshimura, one of the project members, related that “participating in the project helped us improve our communication skills and learn leadership skills, and has made us more motivated to work,” and that the project is not simply for customers, it also gives something back to the Group’s women employees. Wakako Ajiro added that “opportunities for women have definitely increased thanks to Kinki Osaka Bank becoming part of the Resona Group.” From these comments it is clear that various initiatives have spread throughout the Group.

Ideally, Women Should Make Use of Opportunities without Gender Being an Issue

On the other hand, discussion participants commented that “some male managers are unable to cope with the idea of expanded opportunities for women,” or “because the ‘My Strength’ Project is identified as being ‘for women,’ men are hesitant to take part, so communication with employees outside the project tends to be weak.” “My Strength” project leader Akiko Kawasaki said she hopes “that men will take part in the project so that we can all make it even better.”

As for the future, Mayumi Iino said that “having everyone become a professional will help flatten the organization, which will ultimately result in true diversity of work,” while Yoko Tamaki added “I hope we’ll soon see the day when there will be more women managers and that women will assume responsible positions as a matter of course,” opinions with which the other participants heartily concurred. At the close of the discussion, Yukiko Kondo, a pioneering woman manager, spoke with the voice of experience when she said “if you can forget about being a woman and concentrate on establishing good communication, you can build productive relationships with colleagues where gender differences don’t matter.”

About This Discussion

I see an increasing number of enthusiastic women doing all kinds of work and making a real contribution. It’s important for all employees to be aware of their identity as financial professionals and to continually work on self-improvement, so that everyone can excel in their own area of expertise, regardless of sex, age or occupation. Doing so will give us a talented pool of employees and help make us more competitive.



Hirotaka Ezoe, General Manager
Human Resources Division, Resona Holdings, Inc.



Mari Yoshimura
Sales Advisor, Consumer Banking Division
Resona Bank, Ltd.



Mayumi Iino
Planning Manager, Corporate Communications Division
Resona Holdings, Inc.



Wakako Ajiro
Manager, Customer Service Division
Tomita Branch
The Kinki Osaka Bank, Ltd.

Highlight 3

Business Strategy of Resona and Outlook for the Future

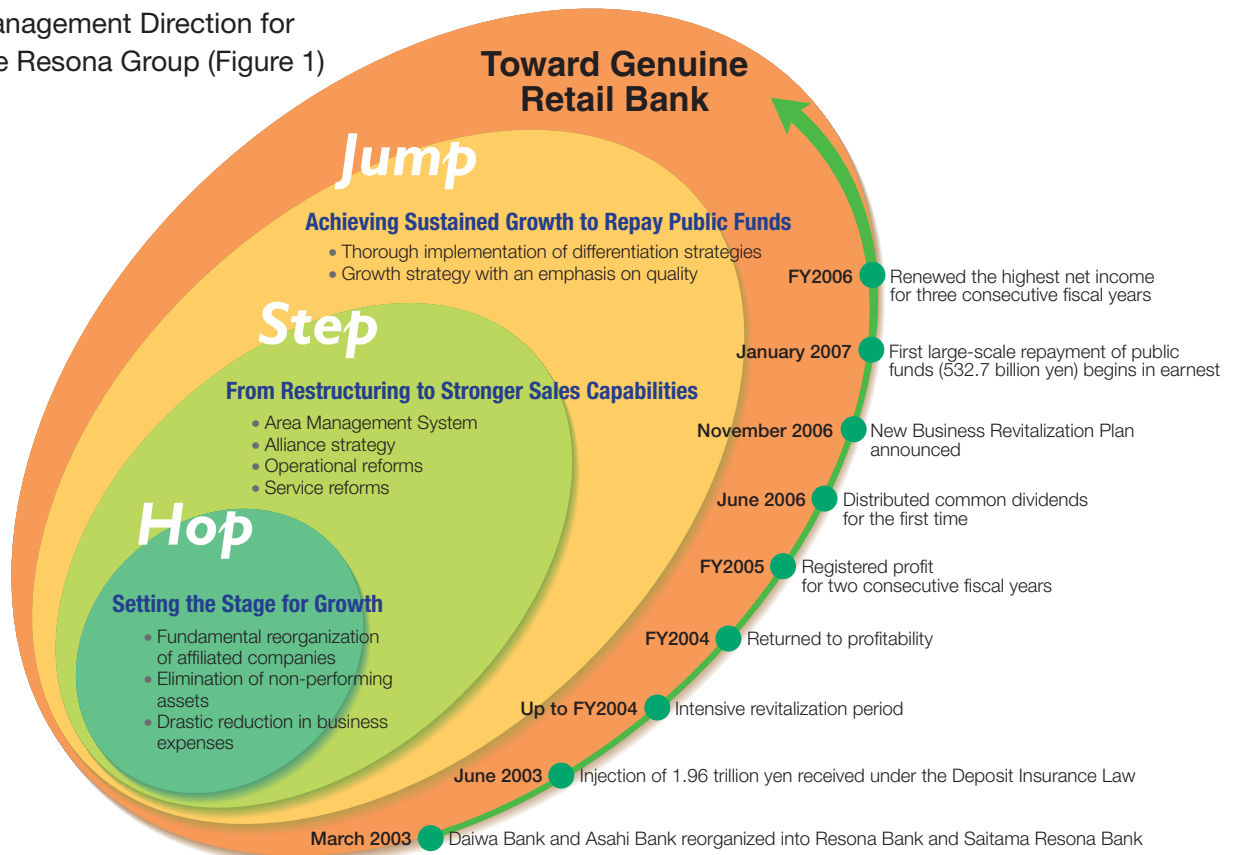
The Resona Group is taking steps to repay public funds early and achieve sustained growth through fundamental and strategic management reforms.

Until now, the Resona Group has received injections of public funds totaling over three trillion yen. Fully aware of the implications of such a massive injection of funds, we have been following a three-step "Hop," "Step," "Jump" management reform program (see figure 1).

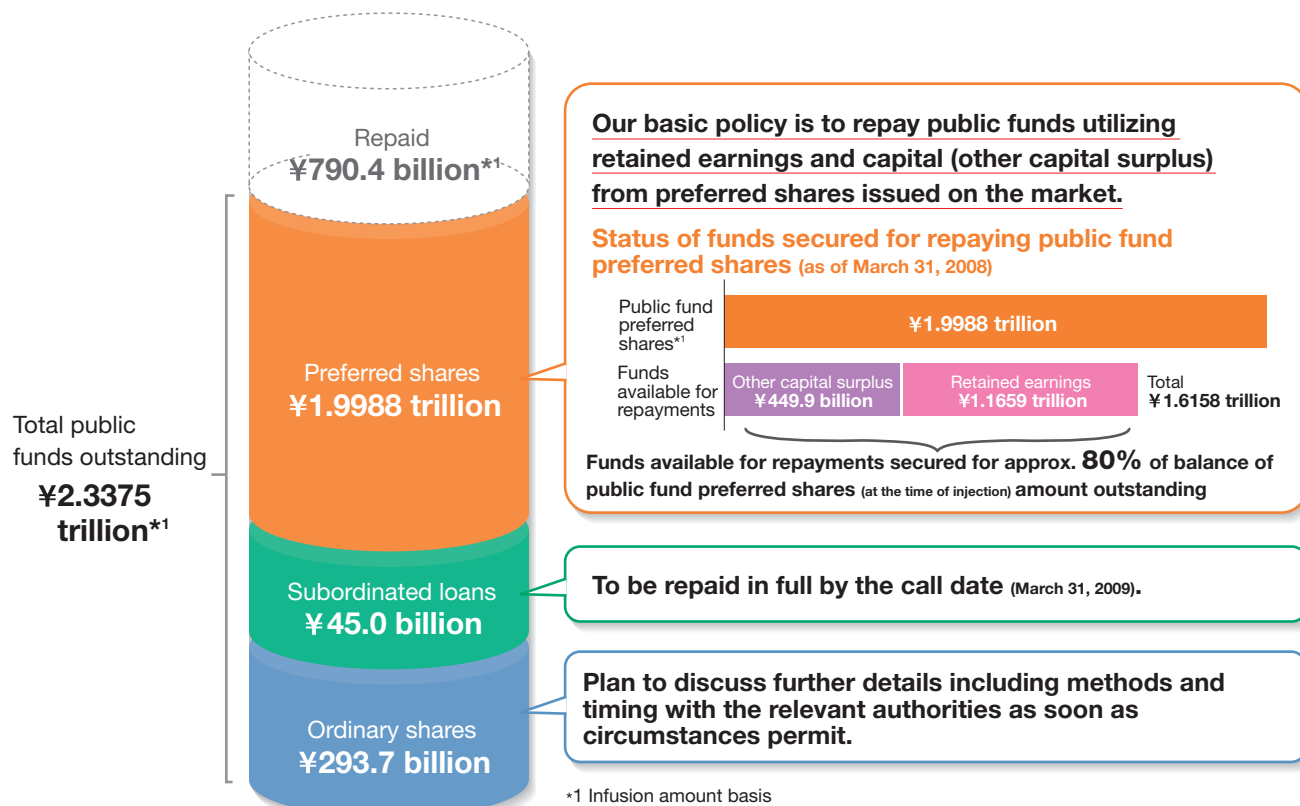
At the "Hop" stage, we carried out restructuring based on financial reforms during a period of intensive revitalization, completing this stage at the end of March 2005. Following the period of intensive revitalization

came the "Step" stage changing the gear from restructuring to strengthening our capabilities for selling products and services to achieve stronger growth, during which we undertook various reforms in a break with past practice or custom. The result of those reforms was financial soundness, improved operational efficiency and higher profitability. We began the final "Jump" stage in fiscal 2007. In this stage we are following differentiation strategies thoroughly to achieve sustained growth

Management Direction for the Resona Group (Figure 1)



■ Breakdown of Outstanding Public Funds and Repayment Approach (Figure 2)



enabling us to repay public funds and embark on a growth strategy emphasizing management quality. Management reforms implemented so far have steadily borne fruit and brought growth in the business areas of housing loans and sales of financial products, real estate business, and pension and securities trust business that are our strengths.

Concurrent with management reforms to improve our financial soundness and make steady progress toward sustained profitability, we have repaid 790.4 billion yen in public funds. As a result, at the end of March 2008, the balance of public funds outstanding has been reduced to 2.3375 trillion yen (see figure 2).

With regard to funds available for repayment of public funds, we have secured a total of 1.6158 trillion yen (as of March 31, 2008), equivalent to approximately 80 percent of the balance of public fund preferred shares (infusion amount basis) outstanding by putting together the Group's total retained

earnings and other capital surplus through a new issue of preferred shares. We will continue accumulating funds available for repayment in accordance with our Basic Policy toward Repayment of Public Funds by steadily improving profitability so that we can complete repayment of public funds at an early date.

Column

Background to Injection of Public Funds

In the latter half of the 1990s, Japan's banks applied for and received approval for public funds to shore up their capitalization, in order to dispose non-performing assets that had accumulated on their balance sheets in the long recession following the bubble economy's collapse. The former Asahi Bank, Ltd., the former Daiwa Bank, Ltd. and The Kinki Osaka Bank were among the banks which were to receive an injection of public funds. Additionally, Resona Bank, formed through the merger of Asahi Bank and Daiwa Bank, received 1.960 trillion yen in public funds after posting a huge loss and seeing a substantial decrease in its capital adequacy ratio at the financial result ended March 2003 following its decision to get back financial soundness by: (1) actively writing off non-performing assets, (2) realizing the latent losses on stocks, etc., and (3) deducting deferred tax assets.

Basic Policy toward Repayment of Public Funds

(announced May 23, 2006)

- 1 To secure a source of funds for repayment as soon as possible;
- 2 To maintain an appropriate capital adequacy ratio; and
- 3 To avoid dilution of common shares as much as possible.

Resona Group Overview

The Resona Group, with Resona Holdings, Inc. acting as the Group holding company, is a financial services group comprising three commercial banks (Resona Bank, Ltd., Saitama Resona Bank, Ltd. and The Kinki Osaka Bank, Ltd.) and one trust bank (Resona Trust and Banking Co., Ltd.), and with approx. 40 trillion yen in consolidated total assets, it is the fourth largest financial group in Japan.

In addition to providing highly localized service that answers the needs of each community's characteristics, the Group offers high-quality financial services to all of its customers, by consolidating and upgrading its pension and securities trust business to Resona Trust and Banking.

Also, the key markets for the Resona Group are the Tokyo metropolitan and Kansai regions, which have the largest concentrations of population and industry in Japan. The Group holds a strong presence in the Tokyo and Kansai regions, through providing retail banking in a network of branches centered in Tokyo, Osaka, Kanagawa and Saitama prefectures, which are on par with branches of the megabanks. In addition to holding a large 40 percent share of deposits and loans in all of Saitama Prefecture, the Group also boasts a nearly 20 percent share in Osaka Prefecture as well.

Company Overview

Company name: Resona Holdings, Inc

Head office: 2-1, Bingomachi 2-chome, Chuo-ku, Osaka, Osaka Prefecture 540-8608, Japan

Phone: 06-6268-7400

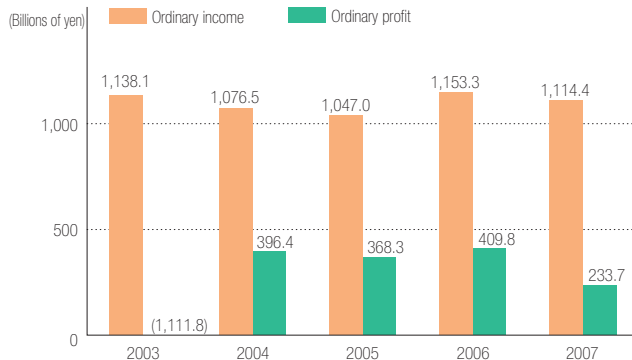
Establishment: December 12, 2001

Representative: Eiji Hosoya, Director, Chairman and Representative Executive Officer
Seiji Higaki, Director, President and Representative Executive Officer

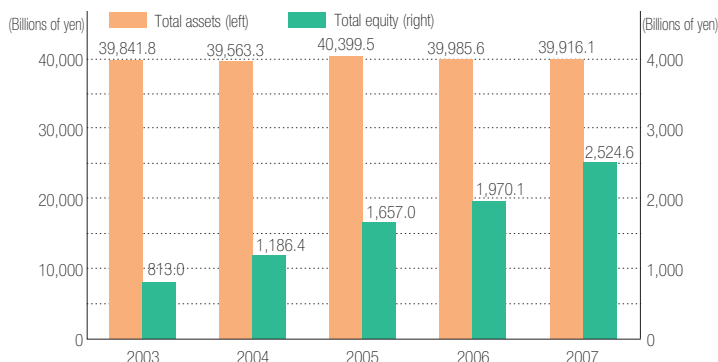
Capitalization: 327.2 billion yen

Consolidated capital adequacy ratio: 14.28% (as of March 31, 2008)

Ordinary income/ordinary profit (consolidated)



Total assets /total equity (consolidated)



Number of employees (consolidated)*



*Number of employees includes persons hired locally overseas, but does not include contract or temporary employees.

Major Group Companies

Resona Card Co., Ltd.
Description of business: Credit cards, credit guarantee
Establishment: February 12, 1983
Capitalization: 1 billion yen
Principal shareholders: Resona Holdings, others

Resona Capital Co., Ltd.
Description of business: Venture capital
Establishment: March 29, 1988
Capitalization: 4.5 billion yen
Principal shareholders: Resona Holdings and Group-related companies, etc.

Resona Kessai Service Co., Ltd.
Description of business: Factoring
Establishment: October 25, 1978
Capitalization: 1 billion yen
Principal shareholder: Resona Holdings (100%)

Resona Bank, Ltd.
Establishment: May 15, 1918
Capitalization: 279.9 billion yen
Manned office: 327
Principal shareholder: Resona Holdings (100%)
Number of employees: 8,854

Saitama Resona Bank, Ltd.
Establishment: August 27, 2002
Capitalization: 70 billion yen
Manned office: 128
Principal shareholder: Resona Holdings (100%)
Number of employees: 2,832

Resona Holdings, Inc.
Establishment: December 12, 2001
Capitalization: 327.2 billion yen
Number of employees: 474

The Kinki Osaka Bank, Ltd.
Establishment: November 24, 1950
Capitalization: 38.9 billion yen
Manned office: 136
Principal shareholder: Resona Holdings (100%)
Number of employees: 2,488

Resona Trust & Banking Co., Ltd.
Establishment: December 10, 2001
Capitalization: 10 billion yen
Manned office: 4
Principal shareholder: Resona Holdings (100%)
Number of employees: 501

Resona Servicer Co., Ltd.
Description of business: Servicer
Establishment: October 25, 2000
Capitalization: 500 million yen
Principal shareholder: Resona Holdings (100%)

Resona HR Support Co., Ltd.
Description of business: Personnel and welfare services
Establishment: October 2, 1987
Capitalization: 60 million yen
Principal shareholder: Resona Holdings (100%)

Resona Research Institute Co., Ltd.
Description of business: Business consulting services
Establishment: October 1, 1986
Capitalization: 100 million yen
Principal shareholders: Resona Holdings and Group-related companies, etc.

Editorial Policy

This report has been created for the purpose of disclosing information related to Resona Group's corporate social responsibility (CSR) to all stakeholders.

In creating this report, we have used the *GRI* Sustainability Reporting Guidelines 2006* as a reference, keeping in mind the importance of disclosed information and balance.

It is our hope that this report will promote communication with each of you, leading to a deepening of your understanding regarding the Resona Group.

*GRI (Global Reporting Initiative): An international organization founded in 1997 by businesses, NGOs and other various stakeholders around the world to create and promote the spread of international guidelines related to sustainability reports published by businesses, etc.

Scope of Coverage

- Resona Bank, Ltd.
- Saitama Resona Bank, Ltd.
- The Kinki Osaka Bank, Ltd.
- Resona Trust & Banking Co., Ltd.
- Other main Group companies

Concerning scope of coverage terms

"The Resona Group," "Resona," "the Group": These each refer to the Resona Group and its main Group companies.

Reporting Period

April 1, 2007–March 31, 2008

Note: Because this is the Group's first CSR report, information from before April 2007 and after April 2008 is included within certain important items.

Publication Information

- *CSR Report 2008 Digest* (Web edition): September 2008 (Next edition scheduled to be published September 2009)
- *CSR Report 2008 Data File* (Web edition): September 2008 (Next edition scheduled to be published September 2009)

Contact Information

Corporate Communications Division, Resona Holdings, Inc.

Osaka Head Office: 2-1, Bingomachi 2-chome, Chuo-ku, Osaka, Osaka Prefecture 540-8608, Japan
Phone 06-6268-7400

Tokyo Head Office: 1-2, Otemachi 1-chome, Chiyoda-ku, Tokyo 100-8107, Japan
Phone 03-3287-2131

Website address: <http://www.resona-gr.co.jp/holdings/english/index.html>

This material is not a specific guide outlining the content of products such as investment trusts or personal annuities. When purchasing non-guaranteed products that entail risk, please be sure to confirm the details of such as contained in the explanatory materials which are provided in branches regarding each product.

Contents

Resona Group Overview	01
CSR Management	03
Corporate Governance	
CSR Implementation System	
Internal Auditing	
Compliance	
Risk Management	
Customers and "Resona"	07
Society and "Resona"	11
For the Community	
For the Children	
Social Welfare, International Interaction	
Environmental Report	
Employees and "Resona"	15
Shareholders and "Resona"	17

CSR Management

Corporate Governance

Basic Philosophy

It is the policy of the Resona Group to strengthen governance through establishing a responsible management system, reinforcing functions which monitor and oversee management, and striving for transparency in management.

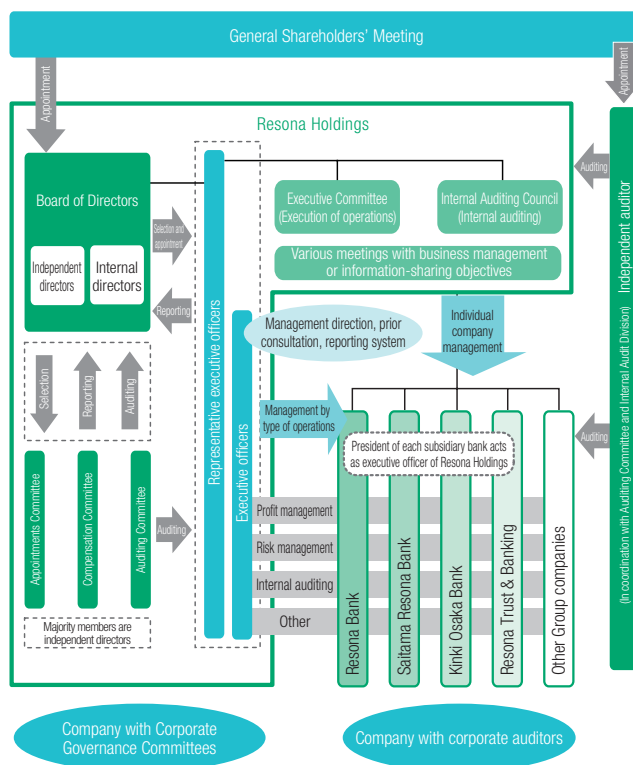
Taking into account the injection of public funds into Resona Bank, Ltd. in June 2003, Resona Holdings, Inc. became the first Japanese banking institution to adopt a committees governance model, in order to achieve highly transparent, sound and efficient management. By appointing independent directors as a majority not only to the committees of Appointments, Compensation and Auditing, but also to the Board of Directors, Resona Holdings raises the level of transparency and objectivity in management. Through separating the functions of oversight and operation in management and transferring authority to executive officers to enable expeditious decision-making, and yet simultaneously strengthening the oversight functions of the Board of Directors, Resona Holdings is striving to manage in a way that best reflects the Group's "Corporate Mission."

With regard to the banks which are 100 percent-owned subsidiaries of Resona Holdings, we have standardized each by adopting an auditors governance model, which has given consistency to the strengthening of governance in the Group as a whole, as well as the governance structure of each subsidiary bank, to create a system in which bank manages itself autonomously.

Corporate Governance at Resona Holdings

Board of Directors	The Board of Directors is composed of 10 directors (seven of whom are independent directors), and makes decisions relating to important Group management items, while also overseeing the business operations performed by the executive officers and directors. By clearly separating the roles in which decisions related to important management items and business operations oversight are performed by the Board of Directors, while executive officers perform the business operations themselves, we strive for the strengthening of the oversight functions of the Board of Directors and the expediting of the business operations of the executive officers.
Appointments Committee	The Appointments Committee is composed of three members of the Board of Directors (two of whom are independent directors), and determines the content of Board selection and dismissal proposals brought to the table at General Shareholders' Meetings, etc., according to the specific personnel image required of Group directors and "Independent Director Candidate Selection Standards."
Compensation Committee	The Compensation Committee is composed of three members of the Board of Directors (two of whom are independent directors), and determines policies relating to the content of individual compensation received by executive officers and directors, as well as the amount of individual compensation itself. In addition, it performs evaluation of the executives compensation system, which in turn affects the overall corporate value improvement of the Group.
Auditing Committee	The Auditing Committee is composed of four members of the Board of Directors (three of whom are independent directors), and in addition to auditing the operations of both executive officers and directors, determines the content of accounting auditor selection and dismissal proposals brought to the table at General Shareholders' Meetings. It also monitors and verifies internal control systems in conjunction with internal control departments such as the Internal Auditing Division, requesting to executive officers and others that improvements be made as necessary.
Executive Committee	The Executive Committee is established as a decision-making process within the execution of operations, and also as a body which councils and reports concerning important management-related items as a whole, as well as matters in the execution of operations. This committee is composed of representative executive officers and other executive officers.
Internal Auditing Council	The Internal Auditing Council is established as a body which councils and reports concerning important internal auditing-related items, and is independent from the Executive Committee, which serves as a business execution body.
Management Administration of Each Group Company	In order to increase its corporate value, the Resona Group's holding company Resona Holdings performs management administration of all Group companies, including its subsidiary banks. With regard to decision-making and business operations in each Group company, it clearly establishes items for which it is necessary to have prior consultation with or report to Resona Holdings, thereby building a system in which the Resona Holdings performs administration and control.

Group Corporate Governance Framework



CSR Implementation System

In order to strengthen and improve CSR activities, which is a rising demand from society and constitute an important management issue, the Group CSR Committee has been installed within Resona Holdings. Consisting of the Resona Holdings chairman as committee chairman and Resona Holdings and Group banks presidents as committee members, the committee performs discussion and reporting concerning CSR-related items.

Internal Auditing

Basic Philosophy

Internal auditing within the Resona Group serves the important function of helping to raise corporate value by verifying and evaluating the implementation status of management activities, which are for the purpose of ensuring business soundness and appropriateness and social trust, as well as facilitating improvement in the business management systems of Resona Holdings and other Group companies.

In order to achieve the purposes of internal auditing, and so that its functioning is appropriately realized, internal auditing divisions are placed within Resona Holdings and each Group company. Through establishing authority including to perform internal audits, obtain information and have confidentiality, as well as the clarification of responsibility, the Group has in place an effective internal auditing system.

Group Internal Auditing System

The Internal Audit Division is placed within Resona Holdings under the representative executive officers and the executive officer in charge of internal auditing.

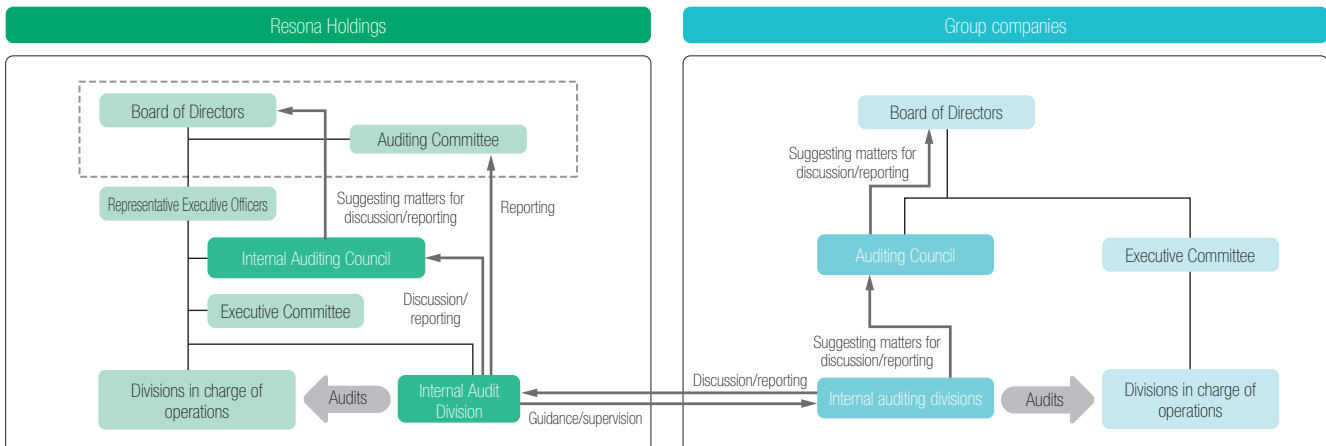
Further, the Internal Auditing Council is established as a body which discusses items related to internal auditing, and as a separate entity from the Executive Committee, is composed of all the representative executive officers, the executive officer in charge of internal auditing and the general manager of the Internal Audit Division.

Under the Board of Directors, etc. of each Group company, an Internal Auditing Division is established as an independent organization. In addition, an Auditing Council is established as a body which discusses necessary items related to internal auditing according to the duties and scale of the company, and is directly associated with the Board of Directors, etc.

In the establishment of specific audit plans, the Resona Holdings Internal Audit Division creates a Basic Plan for Internal Auditing for Resona Holdings and other Group companies. That plan contains such content as internal audit activities policies, coverage and items of special emphasis, and is approved by the Board of Directors of Resona Holdings. The Internal Audit Division of each Group company establishes a "Basic Plan for Internal Auditing" upon consultation with the Internal Audit Division of Resona Holdings, and each company's plan obtains the approval of the Board of Directors.

According to the "Basic Plan for Internal Auditing" that has been created by these procedures, Resona Holdings and the internal audit divisions of Group companies perform internal auditing. In addition, the results of those internal audits are reported to the Board of Directors and Audit Committee in Resona Holdings. The results of internal audits performed in each of the Group companies are reported to the Board of Directors and auditors of each respective company, as well as to Resona Holdings.

Group Internal Auditing System



Compliance

Basic Philosophy

The Resona Group defines compliance as “conformity not only to laws and ordinances, but also to social norms,” and places compliance as one of its most important management issues. We are acutely aware of a bank’s social responsibility and public mission, and in order to further deepen the trust from customers and society, we make thorough efforts toward compliance.

Basic Activities

The Resona Group has established the following: the “Corporate Mission” as a standard for executives and employees judgment and behavior, the “Resona Way” (Resona Group Corporate Promises) as a specific basic attitude of “Corporate Mission” toward all Group stakeholders, and the “Resona Standards” (the Resona Group’s Behavior Guidelines) as a clear documentation of specific behavior of Group executives and employees dictated by the “Corporate Mission” and the “Resona Way.”

We believe that in order for the Resona Group to give customers a great feeling that exceeds mere satisfaction, and to become the financial services provider of choice for customers, it is important that we place the “Corporate Mission,” the “Resona Way” and the “Resona Standards” as the benchmark for judgment and behavior, and that we continually follow these. In order to thoroughly publicize these within the Group, we create booklets containing these materials, as well as abbreviated versions for portability which contain checklists, distribute the same to all executives and employees, repeatedly perform trainings on them, and also promote e-learning trainings. In addition, we perform annual checks of the awareness and penetration of the “Corporate Mission,” “Resona Standards” and “Resona Way” among Group employees.

At the beginning of “Resona Standards,” the chairman of Resona Holdings, in his own words, makes the Group’s stance on compliance clear. He states that a business must continually keep its eye on the fundamental proposition as a member of society, “for what do we exist to bring to society?” and that because it is our most important issue to continue be a business that practice compliance, we must work toward improvement of our business ethics.

Also, each company in the Resona Group has crystallized the “Corporate Mission,” etc. from a compliance perspective, and in addition to establishing a “Basic Compliance Policy” which clarifies the basic framework of the executives and employees’ roles and organizational systems, they have created and distributed the *Compliance Manual* as a handbook for employees to make compliance a reality.

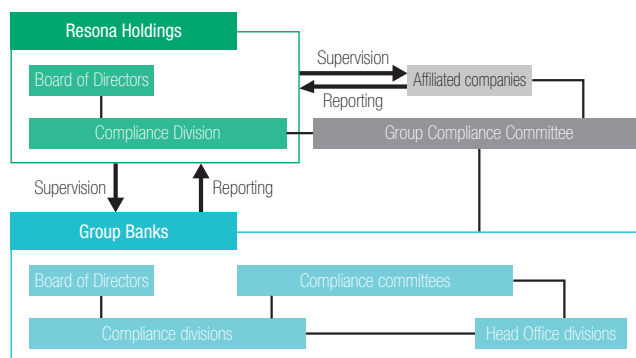
Compliance System

In Resona Holdings, the Compliance Division has been created to control Group compliance. It coordinates with the compliance division in each Group company to strengthen the overall compliance system for the Group. In addition, the Group

Compliance Committee, consisting of Resona Holdings, Group banks and affiliated companies, has been installed as a system to investigate and evaluate Group compliance-related problems.

Further, each Resona Group company has established practical compliance programs, and through regularly reporting the progress of them to the Board of Directors, the companies apply strengthening measures to their compliance systems in a planned fashion.

Compliance System



Compliance Hotline

The Resona Group is aware that in order for compliance to permeate the Group, problem awareness and transparent communication are required, and has therefore established the Resona Legal Counsel Hotline and Resona Compliance Hotline as systems for Group compliance-related consultation and reporting.

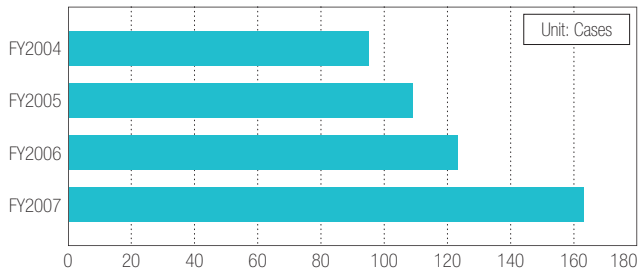
By thoroughly informing employees at all manner of internal company gatherings and trainings, and placing the system content and contact information in the aforementioned booklet of “Resona Standards” and its abbreviated version, we proactively strive to promote use of the system.

With the implementation of the Whistleblower Protection Act in April 2006, Resona Holdings and other Group companies have not only employed the hotlines, but also set up internal regulations in providing for protection of whistleblowers.

Resona Legal Hotline and Resona Compliance Hotline System

Resona Legal Counsel Hotline	Resona Compliance Hotline
Attorneys from outside the company receive calls	Compliance divisions receive calls
Allows a wide range of consultation and reporting concerning compliance-related questions, problems and troubles, etc.	
Installation of private telephones	Opening of private, toll-free line
Allows consultation by e-mail	
Allows anonymous consultation	

■ Number of Cases of Hotline Use Transition



Management of Customer Information

We believe that protection of customer information is one of the most important things for customers to be able to use the Resona Group with peace of mind. Through such measures as declaration of our "Promise to Protect Personal Information," installation of information leak and loss prevention systems, and thorough, sustained education efforts for employees, we are striving for appropriate administration which complies with such laws and ordinances as the Act on the Protection of Personal Information.

Elimination of Antisocial Forces

The blocking and eradication of the transactions of antisocial forces is an extremely important thing from the perspective of the social responsibility of a financial institution and its public mission. To ensure that there is no support of antisocial activities in the Resona Group's corporate activities, the Group's basic policy is to eliminate all involvement in transactions with or by groups performing antisocial activities.

In order to do this, the Group has not only enacted internal regulations, but has also worked to perform trainings and education for executives and employees. The Group has also established the compliance division of each company as the division for handling antisocial forces, coordinating with government agencies such as the police and attorneys, striving to prevent transactions, and eliminate relationships with antisocial forces.

Risk Management

Basic Philosophy

The Resona Group has established the following risk management-related principles, in order to enable an upgrading of the management system and methods, as well as perform risk control while ensuring sound management and enhancing profitability.

1. We will not assume levels of risk in excess of our economic capital.
2. We will deal promptly with losses that we have incurred or expect to incur.
3. We will take risks appropriate for our earnings power.

Risk Management Policies and Systems

Resona Holdings has established the "Group Risk Management Policy" as its basic risk management policy. Each Resona Group bank then establishes its risk management policies in accordance to the "Group Risk Management Policy," also taking into account its respective business, characteristics and risk status. These risk management policies define each of types of risks to be managed, and establish the basic framework of organizations and systems, etc. for managing those risks. Other main Group companies also take into account their respective business, characteristics and risk status in establishing its own risk management policy.

In addition to establishing a risk management department for each risk category, Resona Holdings and Group banks have also created a Risk Management Division for the purpose of overall management of all types of risk. The chief risk categories are divided into credit risk, market risk, liquidity risk, operational risk and reputational risk, and each variety is managed according to methods that best fit its characteristics.

In addition, Resona Holdings and other Group companies are prepared for cases in which risks to which they are exposed expand beyond normal risk territory into that of crisis, as in events such as natural disaster or system failure. Systems related to crisis management are established which enable expeditious handling and early restoration of business (continuation or restoration of business), through setting forth basic crisis management policies, etc.

Customers and “Resona”

Resona cherishes relationships with customers.

Implementation of Service Reforms

The Resona Group, aiming to transition from the banking industry to financial services, has reevaluated its business from the customer perspective, and is implementing service reforms.

In November 2007, ATM fees for out-of-business-hours use were made entirely free at the three Group banks. In addition, the Group has thus far made the following improvements regarding the areas of most interest to our customers; fee system, business hours and counter wait times.

Fees

- Elimination of fees for ATM out-of-business-hours use
- Elimination of transfer fees made by Internet or telephone banking between Group banks (and change to 100 yen the tax-included fee for transfers outside the Group)
- Permanent elimination of credit card annual fee (introduction of Resona Card Saison)
- Elimination of fee for issuance of biometrics IC cash card
- Elimination of fee for use of bank point service, etc.



Business Hours

- Extension of bank counter business hours to 5:00 P.M. on weekdays
- In response to the needs of customers who wish to consult on holidays, expansion of branch offices which also operate on Saturdays
- Extension of hours in which ATM accept deposits to 7:00 P.M. on weekdays, 6:00 P.M. on Saturdays



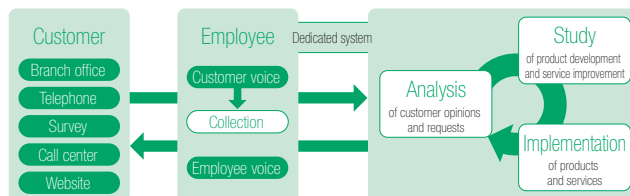
Counter Wait Times

- Deploying a program of “Zero Waiting Time,” shortening of counter wait times through a review of business flow
- Introduction of “Quick Navi” into next-generation branch offices, expediting procedures for transfers, tax payments, deposits and withdrawals (Please see “Next-generation Branch Offices” for details.)



The Group has also managed customer opinions and requests obtained through various methods using our dedicated system, utilizing them in the improvement and development of products and services to respond to customer requests.

System of Reflecting Customer Voices in Product Development and Service Improvement



Introduction of Next-generation Branch Offices

The Resona Group is working proactively to build branch offices that respond to customer needs.

Next-generation Branch Offices

Resona Bank, Ltd. and Saitama Resona Bank, Ltd., with the idea of valuing the time of customers, are transitioning to next-generation branch offices which feature a general reception counter, “Quick Navi” and a consultation counter. Through this transition, they look to avoid keeping customers waiting, giving them a comfortable banking experience.

Next-generation Branch Office Flow Chart

General reception counter

Customers will first inquire at the general reception counter, which is located nearest to the entrance. Staff will ask what they need without making them wait, and guide them to the appropriate counter.



“Quick Navi”

Tax and utility payments, transfers and other transactions are accepted at “Quick Navi” combined with ATMs. Through performing a part of transactions by ATM, elimination of the need for such steps as filling out of documentation allows speedy handling.



Consultation counter

Consultations regarding asset management, etc. are accepted at the consultation counter. The booth style allows customers to receive consultation in a calm, thorough manner.



Branch Offices that Fit with Community Characteristics

The Resona Group operates branch offices that fit with the various characteristics of communities.

- Resona Bank Tokyo Midtown Branch

In keeping with the neighborhood atmosphere, this futuristic branch was built with a highly luxurious feel.



- Resona Personal Station Ikeda

Taking into consideration the various lifestyles of our customers, this branch was built with a reception room where pets are allowed.



- Kinki Osaka Bank "Aisuru" Branch

To allow members of the community come to the branch in a relaxed manner, this branch was built with a roomy, open consultation booth.



Building of Continual Relationships with Customers

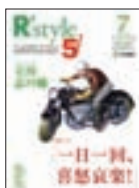
Management Report Meetings

The Resona Group holds regular management report meetings for customers who purchase our investment trust or personal annuity insurance products, giving explanation concerning their performance and outlook. Management report meetings are mainly held in Tokyo, Osaka and Saitama, and approximately 20,000 customers participated in fiscal 2007. The meetings are a valuable opportunity to hear explanation directly from financial management experts of investment trust companies, and are well-attended.



Publishing of a Baby-boomer Oriented Free Magazine

To enable Resona Bank to regularly give its customers the latest information, it publishes the free magazine *R'style 5L*, distributing it through branch offices and salespeople. In addition to carrying information on Bank campaigns and new products, it features such timely issues as inheritance and testament or the Financial Instruments and Exchange Law, utilizing them to carry out more close communication with customers. Starting



in Spring 2008, Saitama Resona Bank also began publishing a seasonal free magazine based on the same concept, entitled *Sai 5L*.

Testament Week for Couples

As Japan continues to have a progressively declining birthrate and aging population, problems related to inheritance are gathering great interest. In response to this, Resona Bank has registered November 15 as "Good Testament Day," and the week of November 15–22 as "Testament Week for Couples." In this season, where families are soon to gather and spend time together during the New Year's holiday, we propose that couples use it as an opportunity to consider about future inheritance issues. During October and November 2007, we held seminars all over Japan on future life planning, inheritance, testaments and life insurance.

Column

Resona "My Strength" Project

The Resona Group, aiming to become the No. 1 bank stood by women, has implemented all manner of efforts.

The Resona "My Strength" Project is centered on our female employees, and develops various products and offers services from a female perspective. So far, investment trusts, housing loans, personal annuity insurance, consumer loans and other products have been produced through this project. In addition, we also implement numerous plans tailored especially for women in our branch office service and sales promotions. Through these types of products and service proposals, the Resona Group hopes to assist in the larger goal of making our society one in which women can have even more success.



In Order to Conduct Transactions with Peace of Mind

The Resona Group has implemented all manner of security measures to make cash card, internet and other transactions safe and secure for the peace of mind of our customers.

Internet Banking*

- Multiple Passwords

We perform identity confirmation by using a registered ID number, login password and confirmation password.

- Random Number Table Used When Making Transfers

Starting December 2007, we introduced the Resona Direct Transaction Card (random number table) for use when making transfers. Even in the event that the login password has been stolen by some illicit act, transfers cannot be made without the random number table recorded on the card, providing effective prevention of crimes such as improper transfers.



- Antivirus Software, etc.

Monitoring customer PCs, we find and exterminate any viruses or spyware when there is some kind of improper activity, using the “nProtect Netizen” security software to cut off any improper communications.



Additionally, instead of using a PC keyboard, we use a software keyboard in which a password or other input is made to a keyboard shown on the screen by clicking a mouse. This allows protection for customer passwords from keyboard input-reading spyware.

Since December 2007, we have also used the “RSA FraudAction,” a service that shuts down phishing sites and prevents damage from net crimes, in order to strengthen Group financial institutions’ anti-phishing measures.

- Peace of Mind Insurance

On internet banking accounts, Resona Direct Peace of Mind Insurance is automatically applied, and covers up to 3,000,000 yen per year in losses resulting from improper use of a customer’s account through password theft, etc. As the bank assumes the insurance premium, there is no burden whatsoever on the customer.

*This service will become available at Kinki Osaka Bank from August 2008.

Cash Card Transactions

- Biometric IC Cash Card

Each bank in the Resona Group has not only adopted the finger vein authentication system, but has additionally promoted the spread of even higher security biometric IC cash cards. The banks eliminated fees for the issuance, change and renewal of IC cash cards starting January 2008 in an effort to give as many customers as possible the peace of mind that come with the technology. In addition to the spread of IC cash cards, the banks have increased the number of ATMs which handle IC cash cards, improving their convenience.

Measures against Bank Transfer Fraud

In order to prevent fraudulent bank transfers, a recent social problem in Japan, we have installed posters that arouse the attention of customers in ATM corners and branch office lobbies. We have also called the problem of bank transfer fraud schemes to the attention of customers through large displays in branch offices and voice announcements in ATM corner. Also, in May 2008, we created the Bank Transfer Fraud Victim Relief Law-related Inquiry Counter. It handles inquiries from persons who have transferred funds into accounts of Resona Group banks through schemes such as fraudulent bank transfers.

Column

Creation of General Manager of Customer Service Division

Starting April 2008, Resona Bank, Ltd. has eliminated the position of branch general manager, and has created the two positions of general manager of Business Division, who primarily oversees business promotion, and the general manager of Customer Service Division, who oversees administration, etc. Placing a permanent general manager of Customer Service Division enables branch offices to provide expeditious service to customers when they visit the branch, as well as stronger compliance administration. It also allows branch offices to offer speedier and more detailed service on the sales side. By separating the businesses of branch operation and sales to raise specialization, we aim to improve customer service while also stimulating sales.

Management Structure



For Corporate Customers

As a supporter of small and medium-size enterprises (SMEs), the Resona Group is working to create a system in which they can respond to customer needs other than just financial services.

Offering of Business Solutions

In order to contribute to regional economic development and smoother regional finance, Saitama Resona Bank, Ltd. is working on the SME support "Regional Strength Coordination Base Project" with the Kanto Bureau of Economy, Trade and Industry. This project is one in which regional agencies work widely together to raise the level of SME's management and solve the issues of starting or re-starting a business, changes of business and business succession through such support activities as providing information, dispatching experts and supporting business matching. Utilizing its community information, prefectural network and regional finance know-how to proactively answer the sales, technology and various other management needs of customers like never before, Saitama Resona Bank contributes to the revitalization of regional economy.

To provide proposals and services such as management strategies that answer the varying needs of SMEs, Resona Bank started up its Corporate Business Solutions Division in April 2008. The expert headquarters staff works together with on-site personnel to implement solutions—M&A and corporate finance work, advice for management issues and strategies, public offerings of stock and equipment investment, advice for expanding overseas and more. One Business Solutions Plaza has also been established in Osaka and Tokyo respectively, where business information is disseminated, and seminars and study groups related to management are convened.

Business Succession

Due to the aging of company owner and a shortage of successors, measures for inheritance and business succession are one of the most important issues to SMEs in Japan. The Resona Group utilizes its many years of experience and accumulated know-how in testamentary trusts, real estate business and other trust business to give various advice on SME customers, enabling them to achieve a smooth succession.

New Technology and New Product Awards for SME

• The Resona Foundation for Small and Medium Enterprise Promotion

The Resona Foundation for Small and Medium Enterprise Promotion was founded with the aim of promoting skills in SMEs to contribute to the development of the Japanese economy. The main activity of the foundation is the presentation of the Small and Medium Business Excellence in New Technology/New Product Award, which is held jointly with the Nikkan Kogyo Shimbun Ltd. In the 20 presentations since the inaugural award in 1988, 6,236 projects have been entered and 563

works have received awards. In addition to its assistance of raising sales and market share for the companies involved, as well as raising of morals for engineers, we are also told that it provides an effect of joint development between other companies too, showing that receiving the award is something that has a great ripple effect.

In addition to the award presentation, the Foundation holds gatherings such as technology get-togethers and provides technology transfer information.

Customer Survey

In order to ascertain information including the level of satisfaction customers have with regard to the Resona Group, it performs survey research (number of collected surveys in FY2007: 12,930). In survey results, the quality of counter and sales staff service is given high marks, and the Group aims to continually improve employee service quality through trainings on financial and product knowledge, as well as hospitality.

Column

Saitama Resona Business Succession Seminars

As the trend continues in which managers of local businesses age, Saitama Resona Bank, having a shared awareness of the necessity of smooth succession in local businesses in order to maintain sustained regional economic development, teamed with the Saitama Small Enterprises Development Corporation and Resona Research Institute Co., Ltd. to present "Business Succession Seminars" in February 2008, giving an opportunity for local business owners and their successors to think together.

On the day of the seminar, 127 people from 100 companies participated, with the theme of "Mental Preparation Learned by Owner and Successor Together" taught using the actual experiences of the lecturer.

As a community financial institution deeply rooted in Saitama Prefecture, Saitama Resona Bank hopes to continue to contribute to sustained regional economic development, not only by assisting in the smooth succession of businesses, but also offering various solutions for the management issues facing customers.



Society and “Resona”

Resona places importance on its ties with society.

United Nations Global Compact

In January 2008, Resona Holdings, Inc. participated in the Global Compact proposed by the UN, as part of its CSR activities. There, Resona Holdings declared its support for the 10 principles related to “human rights, labor, the environment and anti-corruption.”



Human Rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.

Labor Standards

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labor;
5. the effective abolition of child labor; and
6. the elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.

For the Community

Coordination with Universities

• Arts Liaison Service

Resona Bank, Ltd. and Resona Research Institute Co., Ltd., in coordination with seven arts universities located in the Kyoto, Osaka and Kobe areas, began offering liaison services in April 2008 in a business-academia collaboration to serve arts design needs, such as the creation of product guides for customers or product designs, etc. By performing a business-academia collaboration in the arts and design fields, we aim to achieve a more active level of coordination between business and academia in the community.

• Comprehensive Business Collaboration for Community Revitalization

The Resona Group performs all manner of collaboration with local universities for the purpose of contributing to the development of local communities. Not stopping at only business-academia collaboration as a business participant, the Group also proactively intermingles the humane and intellectual resources that a university offers into the community with the aim of community revitalization. Utilizing the Group and university know-how, it clarifies the stance of the Group as a financial services group that contributes to local communities.

For the Children

Children 110

Children 110 aims to prevent the involvement of children in crimes by providing them with a safe place where they can take refuge if they feel as if they are in danger from a stranger or for any other reason, and where someone will make a report to 110, the emergency number in Japan equivalent to 911 in the United States.



Most branch offices in the Resona Group have extended their counter business hours beyond 5:00 P.M., and as part of local community contribution taking into account the times at which children and students finish school, staffed Group bank branch offices (approx. 600) began performing “Children 110” activities in April 2005.

“Table for Two” Movement

Resona Bank Tokyo and Osaka head offices, Saitama Resona Bank, Ltd. Head Office and The Kinki Osaka Bank, Ltd. Head Office employee cafeterias are participating in the “Table for Two” movement. When a person orders a low-calorie, healthy selection, 20 yen from their meal price is donated as school lunch money in developing countries. While providing a measure against metabolic syndrome in employees, the arrangement also leads to social contribution. It was originally proposed at the February 2007 World Economic Forum Annual Meeting by the Japanese Young Global Leaders. The Resona Group is the first case in the world in which long-term, daily, full-fledged implementation of the program has been performed in a business. The movement has now spread to America, China and India, and is receiving attention from around the world as a social contribution emerging from Japan.



Parent-friendly Housing Loans

Resona Bank and Saitama Resona Bank both give courtesy service interest rates on housing loans for customers who purchase houses that are conducive to child-rearing.

Houses which qualify:

- Houses recognized by Miki House Research Institute for Child-rearing as friendly to child-rearing
- Houses adopting the Sekisui House “Kids Design” concept and specifications

Support for the Special Needs Schools Cultural Festival

Resona Bank, with the purpose of enriching the arts and cultural activities of children and students at schools for the blind and deaf around Japan, has provided continual support for an annually-held cultural festival of those special needs schools since 1994. The festival features recommended works entered from all prefectures of Japan in three categories; formative and fine arts, calligraphy, and photography. After judging, award-winning works are selected to receive such awards as the Cultural Alliance President's Award and the Resona Bank Award. In June 2008, an exhibition of award-winning works was held in the first floor lobby of the Resona Osaka Head Office Building.



Social Welfare, International Interaction

Citizen Guardian Training Seminars

Resona Bank, in joint cooperation with the University of Tokyo, has held "Citizen Guardian Training Seminars" in Tokyo, Osaka, Saitama, Nagoya and Sapporo, in which participants can learn about various problems facing the declining birthrate, aging society such as the discreet guardianship system, nursing care insurance and dementia. These seminars are held under the supervision of the Japan NGO Council on Aging. The purpose of the seminars is to train regular citizens who can participate as guardian and create an environment in which support can be given toward promoting the discreet guardianship system.

Braille Calendars

Since 1982, aiming to increase the convenience of life for people with vision impairments, the Resona Group annually produces a Braille calendar and donates copies to welfare associations and schools that serve people with visual handicaps throughout Japan. To help the visually impaired enjoy the calendar's design, Braille dots are used to make the illustrations tactilely perceptible. The calendars have been highly evaluated by many users.

Installation of Communication Boards

Since February 2006, Resona Bank has had communication boards in place for all of its branch offices. This is a tool that allows customers who visit our branch offices to communicate with their businesses by pointing to the board's icons. English is provided along with Japanese to enable foreign customers to use this information source. The boards, which we introduced at the suggestion of a Tachikawa Branch employee, have generated interest not only from other banks, but also from other industries.

Installation of ATMs for People with Vision Impairment

The Resona Group is moving ahead with installation of ATMs with handsets that provide service to people with visual impairment. When the handset on this ATM is used at the commencement of the transaction, it changes to visually impaired mode, and giving guidance through the handset audio, a customer can perform transactions by pushing handset buttons.

The Resona Foundation for Asia and Oceania

The Resona Foundation for Asia and Oceania, since its 1989 founding, has given personal and joint research aid to applicable local communities, as well as aid for holding international meetings and symposia, all with the purpose of deepening mutual understanding between Asia, Oceania and Japan and contributing to international interaction. Research results gained are published as essays, or are publicized in academic magazines, which returns their knowledge back to society.

Column

United Nations Principles for Responsible Investment

Resona Trust and Banking Co., Ltd. signed the United Nations Principles for Responsible Investment in March 2008. The United Nations Principles for Responsible Investment are voluntary investment principles established through the United Nations Environment Programme (UNEP)'s Finance Initiative (UNEP FI) and the United Nations Global Compact. The principles are for institutional investors, and suggest performance of investment activities that take into consideration ESG (environmental, social, and governmental issues) within a scope that does not violate fiduciary responsibility. As an institutional investor, Resona Trust and Banking has implemented investment activities that take into consideration ESG problems, contributing to the realization of a sustainable society.



Responsible Investment Principles

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.

Environmental Report

Group Environmental Policies

The Resona Group has created the Environment Subcommittee within the Group CSR Committee, and it is cross-divisionally studying ways to work at solving environmental problems. In April 2008, the Group clarified its stance on efforts for the environment by establishing Group Environmental Policies, for the purpose of fulfilling its social corporate responsibility to appropriately implement environmentally friendly corporate activities.

1. Observance of Environment-related Laws and Regulations

We abide by laws relating to environmental preservation and to other requirements that we have subscribed.

2. Environmental Preservation through Our Core Business

We support environmental preservation activities by developing and providing environment conscious products and services.

3. Environmental Load Reduction in Our Offices

We work toward reducing the environmental load through resource- and energy-saving activities in our offices.

4. Environmental Communication

We take active measures to communicate environment-related information inside and outside of the Group and promote environmental education activities.

5. In-house Education and Full Participation

We ensure that all Group executives and employees are familiar with our environmental policies, and that all executives and employees act in an environmentally-responsible manner.

6. Public Disclosure of Environmental Policies

We disclose our environmental policies to all parties.

Environmental Preservation through Our Core Business

• Investment Products

The Resona Group, through handling of its unique SRI funds, promotes environmentally-related investment by individual customers. Also, in fiscal 2007, the Group has donated a portion of profits from investment trusts which support local businesses to community environmental protection groups.

• Housing Loans

Each bank in the Resona Group coordinates with power and gas companies, etc. to provide a service offering priority interest rates on housing loans for purchases of environmentally friendly homes. In May 2008, Resona Bank, Ltd. began priority housing loan interest rates for revitalized housing, which is said to be environmentally friendly.

• Inheritance-related Services

In its testamentary trust and inheritance settlement work, Resona Bank provides a service which offers priority fee rates for an entire inheritance settlement matter in the case that the customer leaves a portion of their assets to an environmental protection group.

Groups allowed: Ecosystem Preservation Society-Japan, The Association of National Trusts in Japan

• Corporate Finance

Starting in October 2004, Saitama Resona Bank, Ltd. has been operating the Saitama Resona Environment Fund. This fund exists to quickly and smoothly answer the need to provide business loans to small and medium-size enterprises (SMEs) in Saitama Prefecture that wish to procure the funds necessary to their environment protection activities and efforts toward facilities and products friendly to the environment. From February 2008, for the purpose of promoting global warming prevention efforts, Saitama Resona Bank began offering the Saitama Prefecture Eco-up Certification Loan, a product which gives priority interest rates and other financial conditions to qualifying certified businesses. Saitama Resona Bank supports the smooth funding of businesses which engage in proactive measures for the environment.

• Asset Transfer Trust

From July 2006, Saitama Resona Bank has been operating the Saitama Green Trust Fund, a natural environment preservation trust, in conjunction with the purposes of the Green Trust Movement, which exists to promote such natural environmental preservation. Different from a normal donation, it is arranged so that a customer receives management profits during the period of the trust, but when it is fulfilled, or at the time of transfer, the trust assets are donated to the Saitama Green Trust. It fulfills customer's need of stable asset management, while doing a service for the future of the community.

• Charitable Trust

Utilizing its trust functions, Resona Bank contributes to society through charitable trusts for maintenance and preservation of natural environment.

Environmental Preservation-related Charitable Trusts

	Fund name	Contract date	Purpose of trust
1	Suntory Fund for Birds Preservation	February 26, 1990	Through granting funds for the activities of bird preservation groups around the world, including Japan, contribute to the promotion of bird protection activities, and thereby to the preservation of the global environment.
2	The Japan Trust for the Global Environment	July 1, 1991	Through supporting donations for environmental preservation in developing regions, Japan contributes to global environmental protection.
3	Musashino Green Fund	July 2, 1992	Through giving support to activities which assist to the preservation and creation of natural environment in Saitama Prefecture, contribute to the creation of a beautiful environment in which it is easy to live.
4	Green Program 21 (Midori-kikin)	March 31, 1994	Through supplying grants to groups, etc. which perform tree-planting activities, promote green projects, and thereby contribute to the creation of a beautiful, green country.
5	ESPEC Foundation for Global Environment Research and Technology (Charitable Trust)	March 30, 1998	Through supporting the raising of scientific and technological knowledge related to the environment, contribute to the overcoming of global environmental problems.
6	Public Trust Fund for the Preservation of Minoo Mountain Foothills	January 9, 2004	Through support for activities related to the protection, care and utilization of the abundant greenery of Minoo City, contribute to the expansion and vitalization of foothills preservation activities.

(In addition to the above, Resona Bank is entrusted with numerous other charitable trusts, including social welfare, cultural support and others.)

Environmental Load Reduction in Our Offices

Since July 2007, all companies in the Resona Group have participated in the Ministry of Environment's "Team Minus 6%," which engages in global warming prevention activities. The Group established a month of strengthening efforts in summer 2007, in which we endeavored to reduce power consumption through adjusting air conditioning temperatures and operation hours. In fiscal 2008, each Group bank head offices and branches set the goals of (1) one percent reduction in power consumption (compared to fiscal 2007) and (2) 10 percent reduction in purchased copy paper (compared to fiscal 2006), proactively working to reduce consumption of power and paper in the bank industry, which is noted for its high consumption of both.

In addition, The Kinki Osaka Bank, Ltd. is engaged in preparation work toward gaining ISO14001 certification of environmental management system for its head office building.



Environmental Communication

In December 2008, the Resona Group held environmental seminars in Tokyo, Osaka and Saitama for its customers. The Group also performed such activities as panel exhibitions at Resona Bank Akasaka Branch in May and wall surface greening at Resona Bank Tokiwadai Branch in June, presenting messages of environmental protection to communities and customers.



In-house Education

The Resona Group proactively works at internal group education regarding environmental problems. In April 2008, it held study meetings regarding environmental business for the head office employees. In June, it held environment seminars for sales employees at the Resona Bank Osaka Head Office, and in July for those at the Tokyo Head Office, where they learned about supporting corporate customers in their environmental preservation efforts through



financial functions. Kinki Osaka Bank held environmental training for its new employees. In addition to the above, there has been publication of internal company magazines' special issue on environment, environmental trainings utilizing e-learning and the holding of environmental events, giving employees and executives ample opportunity to consider the environment.

Column

"We Love the Earth! Let's Be 'Eco'!!"

As part of its activities that contribute to the community, Kinki Osaka Bank makes efforts to solve environmental problems.

As one of those efforts, it has created the all-employee participation environmental project "Chikyu Daisuki! Minna de Eco!!" (We Love the Earth! Let's Be "Eco"!!). This project name was selected from employees' submissions. In March 2008 executives and employees participated with their families in environmental volunteer activities, planting Japanese cherry trees and doing other work in Izumi-sano City's Izumi-no-Mori Forest.

In addition, Kinki Osaka Bank held a company fundraiser for environment which gathered some 600,000 yen from approx. 2,500 executives, employees and staff, giving the proceeds to the Osaka Green Trust and the Osaka Prefecture Environmental Preservation Fund. Going forward, executives, employees and staff will continue in environmental efforts, contributing to the community.



Environment-related Statistics

		FY2005 results	FY2006 results	FY2007 results
CO ₂ released through energy use (t-CO ₂)*		36,371	32,893	30,597
Power consumption (Thousands of kWh)		65,533,766	59,266,726	55,130,214
Water consumption (m ³) (kl)		226,418	223,129	233,684
Paper waste	Amount produced (t)	1,043	1,004	988
	Amount recycled (t)	844	827	860
	Recycling rate	81%	82%	87%
Non-paper waste	Amount produced (t)	325	309	274
	Amount recycled (t)	79	85	79
	Recycling rate	24%	28%	29%

This data is the total for the respective Resona Bank Tokyo and Osaka Head Office buildings, as well as the five system/administration centers (Senri, Hommachi, Tochigi, Meguro, Setagaya).

*CO₂ emissions for each year listed are calculated based on the Ministerial Ordinance Related to the Calculation of Greenhouse Gas Emissions in Association with the Business Activities of Specified Emitters (March 2006, Ministry of Economy, Trade and Industry and Ministry of the Environment Ordinance No. 3)

Employees and “Resona”

Resona highly regards employees’ dignity and personality.

Basic Policy

Through creating an organization in which each employee can work comfortably, the Resona Group promotes human resource development. With its watchwords as “the fronts lines take the lead,” “autonomy” and “diversity,” we are creating a work environment in which diverse personnel can succeed.

New Personnel System

Starting in July 2007, Resona Bank, Ltd., Saitama Resona Bank, Ltd. and Resona Trust and Banking Co., Ltd. of the Resona Group, with the aim of implementing (1) diversity management promotion, (2) professional personnel development by field and (3) personal choice-style personnel operations, have implemented a new personnel system. In order to further develop the autonomous career building that we have thus far promoted, we have introduced “Career Fields” system, which establish direction in the career building of individuals. In this program we cultivate highly specialized personnel in the four fields of individual solutions, corporate solutions, administrative services, and planning. We have also introduced the Base Area System, which establishes each employee’s base area of work operation. Through this arrangement, which allows a system where employees can generally work without being transferred, we have taken into consideration the work-life balance of employees. These efforts show respect for the work attitudes and values of each employee, while avoiding any discrimination according to work type, age, gender or other factors. The programs allow all to harness their abilities to the fullest extent, promotes an environment in which many various personnel can succeed according to those abilities, and simultaneously allows us to provide customers with a higher quality of financial services.

Toward Autonomous Career Building

In order to facilitate the individual career improvement of employees according to their own will and choice, the Resona Group has introduced various support systems and development programs.

Career Improvement Support Systems

- **Post Challenge System (Internal Recruitment System)**

This system is one in which the personnel necessary to the widely varying fields of existing operations and new projects are filled through internal recruitment. The system proactively provides highly motivated employees with opportunities to improve their careers.

- **Career Entry System**

This system supports each employee in building their own career, by allowing them to participate in internal and external company trainings, and to determine their future business type by their own choice, not by company direction.

- **Free Agent System**

Free agent rights are given to employees who attain a certain level of performance, etc., and with those rights they are able to choose which area of work and division they wish to be employed. This system is used by Resona Bank and Saitama Resona Bank.

Ability Development Programs

- **Resona Business School**

In order to support the autonomous ability development of its employees, the Resona Group uses days off to hold lectures and seminars in which employees can gain knowledge and learn skills. The content of these includes financial analysis, financial markets, pension systems and other banking knowledge. They also branch out to such business skills as communication skills, coaching and sign language, and extend further to certification support classes as well.

- **Qualification Support System**

Through holding qualification support classes and having a monetary reward system for those seeking qualification, the Resona Group encourages its employees to obtain qualifications for the certified skilled worker of financial planning, registered real estate transaction manager, etc., which allow the Group to provide higher quality solutions to its customers.

- **Town Meetings**

The Resona Group holds town meetings in which employees working on the front lines can exchange opinions with senior management. Since 2003, these have already been regularly held on more than 200 occasions. Through direct dialogue, senior management and employees have been able to share the same sense of direction for building a new kind of bank and to cultivate employee awareness, and the dialogue has contributed greatly to create a corporate culture which valuing the humanity of employees.

Personnel Data

	Total	Male	Female
Employees*	14,675	8,947	5,728
Average age	39 years, 1 month	42 years, 7 months	33 years, 6 months
Average continuous years worked	15 years, 6 months	18 years, 9 months	10 years, 5 months

*Total currently working employees of the five companies of Resona Bank, Saitama Resona Bank, The Kinki Osaka Bank, Ltd., Resona Trust and Banking, and Resona Holdings, Inc. (does not include non-regular staff or temporary employees)

	End of March 2006	End of March 2007	End of March 2008
Female management-level employees	555	663	780
Employees receiving child care leave	77	94	151

Provision of Systems in Which Diverse Personnel Can Succeed

Creation of a Workplace Where Women Can Succeed

In addition to proactively promoting women to management positions, the Resona Group implemented female leader trainings which has supported female employees in improving their management abilities since October 2005. Starting in fiscal 2008, the Group has implemented an education program that supports next-generation growth in all employees, regardless of gender, with the aim of building a corporate culture that allows all employees to successfully realize their potential.

Resona Women's Council

With the aim of realizing a corporate culture in which women can happily succeed, the Resona Group organized the Resona Women's Council in April 2005 as an advisory body reporting directly to management. Its members are all female, and through its regular meetings in Tokyo and Osaka, it proposes workplace environment creation, career improvement and other support that allow women to continue to work at the Group. It has already brought about numerous personnel systems and reforms that have reflected the needs of female employees, in addition to making efforts to create a female employee network and plan and implement seminars which lead to renewed awareness.

Introduction of Rehiring System

In response to the falling birthrate and aging population in Japan, each company in the Resona Group has introduced a system in which employees who are turning the retirement age of 60 can, if they meet certain conditions and so desire, be rehired until they are 65. Through effectively utilizing the know-how that these veteran employees possess, the Group aims to give its strength further vitality. As of March 2008, 259 employees from the entire have used the rehiring system, and are actively working in the Group company.

Provision of Labor Environment

Effort item	Specific content
Irregular working hours	Introduction of monthly irregular hours limits Set number of annual days off as 122
Maternity	Maternity leave
	Child care working (Short work hours)
Nursing care	Nursing care leave
	Nursing care work (Short work hours)
Full-time to temporary staff conversion system	For employees who wish to reduce their work hours or workload due to maternity or nursing care reasons, this system allows them to become temporary (part-time) staff for an established period.
"Job Return" system	This is a rehiring scheme for employees who have left their jobs due to marriage, maternity, or child-rearing, etc.

Proposals from the Resona Women's Council

Column

Awards Received for Being a Company Where Women Can Succeed

In February 2008, Resona Bank was given the first ever "Fighting Spirit Award" as a "Business Which Contributes to the Improvement of Women's Awareness" by the Japan Women's Innovative Network (J-Win), which promotes and supports diversity management.



In addition, in October 2007, Saitama Resona Bank was awarded with the "Saitama Labor Bureau Director's Excellence Award for a Gender Equality Promoting Company" by the Ministry of Health, Labour, and Welfare as a company which takes positive action to create a work environment in which women can successfully function.

Efforts toward the Health Management of Employees

Resona Group banks have had industrial physicians and occupational health nurses, which pay visits to all divisions and branch offices, giving assistance in health care matters. In addition to an annual health examination according to law, the Group banks have also mandated a comprehensive medical examination on a company prescribed regime for employees when they are 35 years old, and every other year after 40. Further, through the Resona Health Insurance Society, the Group supplements the costs of comprehensive medical and other examinations for employees and their families. In addition, the Group has placed specialist doctors and counselors for the handling of mental health issues.

Human Rights Education Efforts

The Resona Group has created the Human Rights Education Committee, which strives to foster heightened employee awareness of human rights issues. The Committee secretariat holds trainings by rank, for newly hired employees, and for designated human rights promotion personnel at each division or branch office. It further receives internal submissions each year for the official human rights slogan, working to educate each employee concerning human rights awareness.

Employee Surveys

Resona Group banks regularly conduct employee surveys. Through these surveys, the group is able to ascertain employee expectations for, satisfaction with and burdens resulting from the company, their workplaces and work. The results obtained are then utilized to provide an environment in which it is easy for employees to work.

Shareholders and “Resona”

Resona cherishes relationships with shareholders.

Communication with Shareholders and Investors

Efforts at the General Shareholders' Meeting

The Resona Group considers the general shareholders' meeting to be an important opportunity to communicate with each shareholder. For this reason, the Group has visualized the content of its reporting and used a large screen, striving to give explanations in a manner that is easy to understand. Also, in addition to placing notification of the general shareholders' meeting and reference materials on its website, the Group distributes a video recording of the proceedings, from start to finish of reporting items. The 2008 general shareholders' meeting was held on June 26 and 654 shareholders attended. The Resona Bank Head Office Building, which was the venue for the meeting, also held an exhibit on the Resona Group's CSR efforts in conjunction with the event.

Further, the Group report *Resona Today*, which is published twice a year, contains not only business and financial reports, but also gives information the status of efforts regarding management issues and the latest topics, reflecting our quest to further deepen understanding of the Group.

Efforts regarding Individual Investors

The Resona Group makes proactive efforts at IR activities oriented toward individual investors. In October 2007, it held an IR seminar for women in Osaka, followed by the “Resona Fair” event for investors in March 2008 in Tokyo and Osaka, holding an IR reporting meeting for the participants. In addition, in April 2008, the senior management gave an explanation of group management stance, and the progress of all manner of management strategies at the IR seminar put on by the Tokyo Stock Exchange. The Group will create more opportunities for management to proactively make their actual voices heard, striving to deepen understanding of the Group among our valued individual investors.



IR for Institutional Investors and Analysts

For domestic and foreign institutional investors and analysts, the Resona Group regularly holds IR meetings twice annually, in which representative executive officers and the chief finance officer explain the financial results. In fiscal 2007 (the year ended March 31, 2008), on November 29, 2007, the interim financial results were reported, followed by the reporting of financial results for fiscal 2007 on May 28, 2008, with many participants in attendance.



IR for Foreign Investors

Through individual visits to foreign investors and participation in securities company conferences by representative executive officers and executive officer in charge of IR, the Resona Group gives explanation of its financial results content and business strategy, etc. Its representative executive officers, chief finance officer and officer in charge of IR proactively hold one-on-one meetings with foreign investors in Japan as well.

Enhancement of IR Website

In addition to making public on its website the information disclosed at presentations given to institutional investors and analysts, the Resona Group publicizes its financial results reports and press releases, as well as CSR-related information through various materials, striving to serve the needs of our shareholders and investors.

Basic Guidelines for Information Disclosure and Financial Reporting

The Resona Group has formulated basic guidelines for information disclosure and financial reporting with the objectives of accomplishing fair, timely, and appropriate disclosure and credible financial reporting, as well as ensuring the effectiveness of the regulations governing disclosure. The main contents of the guidelines are described below.

Basic Stance

- The Resona Group will implement information disclosure and financial reporting to a broader audience, on a continuing basis, and in a reader-friendly form, so that our domestic and international customers, stockholders, investors and others can accurately assess and judge the status of the group.
- The Resona Group will comply with the applicable laws, ordinances, and regulations, including the provisions of the Securities Exchange Law, the regulations of exchanges where its securities are listed, the Companies Act, the Banking Law, and other relevant rules and regulations.
- The Resona Group will actively utilize a variety of tools, including the information systems of exchanges, the group's website, and various printed materials, in order to ensure the timeliness and appropriateness of contents, timing, methods, and so forth.
- The Resona Group will continue to seek to improve the operation and maintenance of regulations governing information disclosure.

Structure and Function for Information Disclosure and Financial Reporting

- The Board of Directors will establish and review the basic guidelines, and appropriately oversee the operation and maintenance of internal controls related to the information disclosure and financial reporting conducted by the Representative Executive Officer and Executive Officers.
- The Auditing Committee will independently monitor the status of operation and maintenance of internal controls related to financial reporting as part of their audit of the performance of Executive Officers.
- The Representative Executive Officer will have responsibility for the appropriateness of information disclosure and the credibility of financial reporting, and will implement the most suitable operation and maintenance to ensure the effectiveness of internal controls.

(Revised February 2008)



RESONA WAY
CSR Report 2008

RESONA WAY CSR Report 2008

Corporate Communications Division, Resona Holdings, Inc.

Osaka Head Office: 2-1, Bingocho 2-chome, Chuo-ku, Osaka, Osaka Prefecture 540-8608, Japan
Phone 06-6268-7400

Tokyo Head Office: 1-2, Otemachi 1-chome, Chiyoda-ku, Tokyo 100-8107, Japan
Phone 03-3287-2131

Website address: <http://www.resona-gr.co.jp/holdings/english/index.html>

Published September 2008